

C.I.A. IS ACCUSED BY REP. McCLOSKEY

**Recruits U.S. Mercenaries
for Laos, He Says**

By JAMES M. NAUGHTON
Special to The New York Times

WASHINGTON, Sept. 28—Representative Paul N. McCloskey Jr. of California said today that the Central Intelligence Agency was recruiting Americans to become combat mercenaries in Laos.

"We caught the C.I.A. a couple of months ago recruiting people in Oakland," he said.

Officials of the intelligence agency privately dismissed the charge.

Mr. McCloskey, a candidate for the Republican Presidential nomination, made the allegation to reporters during a breakfast meeting at which he asserted that the Nixon Administration habitually engaged in "concealment and deception."

The charge was based on the account of a job-seeking engineer from California who told of being offered "\$1,000 a week and a box to come home in" when he answered a newspaper advertisement for overseas work. Mr. McCloskey conceded that he had not made an attempt to verify the allegation since learning of it in July.

The engineer, Clarence C. Holben of Lafayette, Calif., said in a telephone interview today that he went last April to the Oakland branch of Overseas Services, a Los Angeles-based job placement company, after finding that he was to be laid off by the Atomic Energy Commission's radiation laboratory in Livermore.

Decided to Stay Home

He said that the branch manager had told him he could make "real money" if he would sign on with Air America, a flight charter company that works for the Intelligence Agency in Southeast Asia. Mr. Holben said he was told that if he took the job he would

actually be working for the C.I.A. He added he turned down the chance because, "at 47 I can't visualize myself running around with grenades and a rifle over my shoulder."

According to Mr. Holben, the job was only one of several suggested by Overseas Services, whose Oakland representative pointed out a number of places on a map and said, "we've even placed people at the [United States] Embassy in Moscow."

At the Oakland office of Overseas Services today, the present manager, Kenneth McDonald, said it was "news to me" and that he had "never seen anything for the C.I.A."

But Mr. McDonald, who took over the office only two weeks ago, said he could not discount the possibility that Mr. Holben's account was correct. He said that he himself once had sought a job as a pilot with Air America with the understanding that "they have some divisions that get a little rough once in a while." He said he was rejected because he wears glasses.

"I don't know what's wrong with McCloskey," Mr. McDonald added. "People are shooting at other people all over the world."

He said his predecessor in the Oakland office, whom he identified as Grant Bryan, was recently dismissed and could not be located. Richard Lester, president of Overseas Services, said he did not know where to find Mr. Bryan.

Mr. Lester said that his company had helped to place hundreds of pilots and technicians with Air America, one of 1,000 or more American companies to which his concern submits resumes for job applicants. "But never a mercenary," he said.

Officials of the C.I.A. declined to speak for the record, but one official commented privately of Mr. Holben and his account: "What would we do with mercenaries in Laos? All the fighting there is done by Meo tribesmen. Is he Meo tribesman?"

Mr. Holben's account was first related to Representative Jerome R. Waldie, Democrat of California, by a constituent acquainted with the engineer. Mr. Waldie passed it on to Mr. McCloskey.

Mr. Holben said that neither Congressman had got in touch with him. He added that reporters were lucky to find him today because he was leaving California tonight for a new job — running a sporting-goods store in Lake Havasu City, Ariz.

STATINTL

Joe, According to [REDACTED] here
are listing of all personnel hired
by Air America for the past 6 month
period April thru Sept. 71.

STATINTL

[REDACTED] said all were hired
locally and none was hired from
the Overseas Service.

The total number of personnel
hired during this 6 month period
was 74 by my tally.

Please give me a call if you
need further info.

STATINTL

[REDACTED]
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